

From: WAYNE HEDBERG (WHEDBERG)
To: TGALLEGOS, LKUNZLER
Date: Friday, August 5, 1994 9:02 am
Subject: SUNDANCE MINING CO. - STILL HANGIN ON

BEN TERRY OF SUNDANCE MINING COMPANY CALLED JUST BEFORE 5:00PM YESTERDAY WANTING TO RECEIVE OUR APPROVAL TO CONSTRUCT 2 FRESH WATER HOLDING/RECYCLING PONDS AT HIS SUNDANCE MILL SITE - S/055/010 NEAR LOA, UTAH. HE WANTS TO PROCESS (MECHANICAL/HYDRAULIC SEPARATION) THE PLACER MATERIALS USING ONLY FRESH WATER AT THE MILLSITE. HE WILL STORE AND RECYCLE THE PROCESS WATERS IN 2 PONDS TO BE LINED WITH PLASTIC (NO CHEMICALS WILL BE USED!!). I'M NOT SURE IF DWQ WILL HAVE CONCERNS OR NEED TO BECOME INVOLVED WITH THIS OR NOT. HE STATED THAT HE HAS A PERMITTED PLACER MINE PROPERTY NEAR HANKSVILLE WHICH WILL BE THE SOURCE OF THE PROCESS FEED STOCK AT THE MILLSITE. (JOELLE, WILL YOU CHECK OUR FILES ON THIS PLEASE? IS THERE ANOTHER SMO BESIDES S/055/010 ON RECORD??)

HE INDICATED THAT SUNDANCE MINING COMPANY MAY BE DISSOLVING (FUNDING PROBLEMS??), BUT THAT HE HAS FORMED A NEW COMPANY THAT WILL BE PURCHASING/AND USING THE MILLSITE. HE ALSO INDICATED HE HAS PURCHASED AN 80 ACRE PARCEL IN THE HENRY MOUNTAINS THAT INCLUDES THE BROMIDE MINE. HE SAID HE WAS SHIPPING ORE(?) TO BARRICK FOR PROCESSING/MILLING. WE MAY NEED TO LOOK INTO THIS FURTHER AS I DIDN'T HAVE TIME TO DISCUSS AT LENGTH WITH HIM.

I ASKED HIM TO SEND US A LETTER DESCRIBING WHAT HE WANTED TO DO AT THE MILLSITE AND WE WOULD DETERMINE IF WHAT HE PROPOSED COULD BE PROCESSED AS AN AMENDMENT TO THE EXISTING PERMIT. APPARENTLY STILL NO PLANS FOR THE SNAKE VALLEY LODGE MINE SITE (STATE LAND?) FOR THE TIME BEING (S/041/018).

A COPY OF THIS MEMO WILL BE SENT TO THE FILE (S/055/010).

CC: EQWQ:KBHAYANI, TJONES, JBURNS